



State of Vermont
Agency of Human Services
280 State Drive, Center Building
Waterbury, VT 05671-1000

Global Commitment Register

May 26, 2016

GCR 16-034
PROPOSED

Outpatient Prospective Payment System

Policy Summary:

Effective July 1, 2016, the Department of Vermont Health Access (DVHA) is eliminating provider-based billing for hospital-based clinics ([see proposed policy 16-041](#)). To ensure budget neutrality, DVHA is updating Outpatient Prospective Payment System (OPPS) rates to reflect this change in hospital billing. DVHA pays a percentage of the Medicare national median rates for each ambulatory payment classification (APC) and these percentages are set at the hospital peer group level. In an effort to mitigate the impact of this transition, DVHA is implementing a provision in the methodology for one year only whereby these percentages of the APC medians will not be at the peer group level but at the individual hospital level for in-state hospitals. The individual hospital percentages are set in a manner so that no hospital would benefit financially due to the transition away from provider-based billing, but no hospital would be impacted negatively by more than 7.7%. Hospital-specific OPPS percentages will be posted as soon as they are available and no later than June 15, 2016. A draft of the amended OPPS State Plan page will also be available at this time. These risk corridor percentages are proposed to only be in place from July 1, 2016 – June 30, 2017. After this time, DVHA will revert back to the peer group level percentages of the Medicare APC rates.

Effective Date:

July 1, 2016

Authority/Legal Basis:

These changes are being made pursuant to 42 CFR §430.12(c)(1)(ii) under the Medicaid State Plan, which can be found here: <http://dvha.vermont.gov/administration/state-plan>.

Population Affected:

All Medicaid

Fiscal Impact:

Paired with the elimination of provider-based billing, the overall fiscal impact is budget neutral.

Public Comment Period:

May 26, 2016 – June 30, 2016

Send comments to:

AHS Medicaid Policy Unit

280 State Drive, Center Building

Waterbury, VT 05671-1000

Or submit via e-mail to AHS.MedicaidPolicy@vermont.gov.

There is no public meeting scheduled at this time. If one should be scheduled, that information can be found at: <http://dvha.vermont.gov/> either through the calendar or listed under upcoming events. Comments received will be posted to the DVHA website by July 12, 2016:

<http://dvha.vermont.gov/global-commitment-to-health/global-commitment-register-proposed-policy-changes>